

Assessment

Module 10: Education Credits

Part 1

Answer the following questions about claiming the Hope Credit and Lifetime Learning Credit by clicking on the correct answer. To assess your answers, click the *Check My Answers* button at the bottom of the page.

1) True or False? Both the Hope Credit and Lifetime Learning Credit can be claimed if a taxpayer has paid higher education expenses for an eligible student as long as they meet the general requirements.

- ☐ A. True
☐ B. False

2) Mateo takes part-time classes at a local university. He is now a junior in college. Which credit is he eligible for?

- ☐ A. Hope Credit
☐ B. Lifetime Learning Credit

3) Which of the following individuals is eligible for the Hope Credit?

- ☐ A. Peter's daughter, a senior who is enrolled full time in the engineering degree program at a local university
☐ B. Kim, who is taking a part-time photography class at a community college
☐ C. Zev, who has claimed the Hope Credit for the previous two years
☐ D. Paulo, who is taking at least one-half of the normal course load required for the computer science associate's degree program, attending classes the entire school year

4) Bruce and Toni are married and file a joint tax return. Toni is a part-time student at the local community college, earning credits toward an associate degree in nursing. Which credit is Toni eligible for on her tuition and fees?

- ☐ A. Hope Credit
☐ B. Lifetime Learning Credit

Part 2

1) Mario paid \$3,000 for his daughter's tuition last year. What is the amount of his Hope Credit for her expenses?

- ☐ A. \$1,500
☐ B. \$1,650
☐ C. \$2,200
☐ D. \$3,000

2) Aaron and Rebecca are married and will file a joint return. Their modified AGI is \$112,000. During the year, they paid qualified tuition expenses to enroll their two children, for whom they claim dependency exemptions, in an accredited private college. Do Aaron and Rebecca qualify to claim an education credit for their two children?

- ☐ A. Yes
☐ B. No

3) Which of the following is an example of a double benefit?

- ☐ A. Marcia, who claims the Hope Credit for her son and the Lifetime Learning Credit for her daughter
- ☐ B. Juan, who claims the Hope Credit for college expenses paid with money he inherited
- ☐ C. Peter, who claims the Lifetime Learning Credit for all three of his dependent children enrolled in college
- ☐ D. Kristin, who claims the Hope Credit for expenses paid with a Pell grant

4) Jake, a math teacher, is single and will take a three-month sabbatical during the tax year.

During the sabbatical, he will take several specialized courses in advanced mathematics.

His modified adjusted gross income is \$30,000 and his tax liability is \$4,000. Jake is eligible for the Hope Credit.

- ☐ A. Yes
- ☐ B. No

Check My Answers